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SUBJECT: LATVIAN PROSECUTORS RECEIVE TRAINING FROM USG

Classified By: Ambassador Catherine Todd Bailey for reasons 1.4 b. and d.

¶1. (U)Summary: In conjunction with the Department of Justice's Overseas Prosecutorial Development and Assistance Training Division (OPDAT), US Embassy Riga conducted a three-day training program with Latvian Prosecutors and police. The training primarily focused on public corruption, financial crime and asset forfeiture. US trainers and Latvian participants gave presentations on the topics, engaged in exchanges and discussed hypothetical case studies. Prosecutor General (PG) Maizitis commented to Ambassador Bailey that this was the first time Prosecutors and members from all the police agencies who deal with public corruption have been in the same room together and participating in the same training together. One particular speaker from the PG's office was especially critical of the United States in regards to the fulfillment of MLAT requests saying requests routinely take overly long and in some cases they have waited up to three years for a response. End Summary.

Mission Strategic Goal

¶2. (SBU) US Embassy Riga has listed law enforcement and judicial systems as a primary focal point of the Mission Strategic Plan (MSP). Past US Government assistance programs and training have been focused on police capacity development. The Latvian Anti-Corruption Bureau (KNAB), founded in 2002, and other police entities involved in corruption and money laundering demonstrate full operational capability and the ability to tackle large and complex corruption and money laundering cases. As such, Embassy Riga now places more emphasis on prosecutors and judges.

¶3. (SBU) Effective prosecution and sentencing continues to be the key hindrance to completing Latvia's transformation to a fully functioning democracy. This training adheres to post's stated intention in the MSP to give special attention to the KNAB and the General Prosecutor's Office, both of whom were present.

¶4. (SBU) The training was entitled Public Corruption and Financial Crimes. Participants included thirty Latvian public prosecutors and officers from the Financial Police, Economic Police, Anti-Corruption Bureau (KNAB), and the Constitutional Protection Bureau (SAB).

Corruption

¶5. (U) All participants were invited to present their activities for each topic. The KNAB was represented by two of their lead investigators who reported that the number of

prosecutions and convictions has more than doubled over the past five years. (NOTE: At the beginning of 2007, Director of the KNAB, Alexjīs Loskotovs, announced to the diplomatic corps that the KNAB is now ready to "export" its experiences(see ref A). However, on the working level, the KNAB continues to approach the United States for developmental assistance and training opportunities. End Note.)

Financial Crimes

¶6. (U) There are two branches of Latvian law enforcement that deal primarily with financial crimes. The Financial Police who deal with domestic cases, and the Economic Police who deal with cross-border cases. According to presentations during the training, in 2006 the Economic Police had 277 total investigations, 94 of which were sent to the prosecutor for completion, and a reported seizure of over 12 million USD.

¶7. (C) The most typical financial crimes in Latvia are tax and credit fraud, with approximately sixty percent of the fraud conducted in US dollars. According to the Economic Police, one of the greatest obstacles to successful operation is the lack of real international cooperation. In 2006, the Latvian Prosecutor General's (PG) office reported that 254 Mutual Legal Assistance Treaty requests were made to the US and Europe with little to no response. Over the past five years, the PG's office had only one case where they received timely cooperation from an international partner. The speaker was especially critical of the United States, saying requests routinely take overly long and in some cases they have waited up to three years for a response.

Asset Forfeiture

¶8. (C) In addition to the discussion of financial crimes, the conference addressed the issue of how to use asset forfeiture to augment other methods of law enforcement. Most of the discussion centered on the taking of financial assets and using it to fund other law enforcement activities. There was little to no discussion about the seizure of other types of assets such as cars, houses, and luxury yachts. Most assets seized are those belonging to the bogus companies, not the actual individuals. The Latvian presentations did not give the impression that asset forfeiture is routinely used as leverage during an investigation. Subsequent conversations indicated that the majority of the law enforcement community did not employ a great deal of creativity in using all the tools available to them through asset forfeiture laws.

Best Practice

¶9. (U) Latvia is a very reserved culture and past training efforts have often been frustrated by the lack of audience participation. Post would like to commend the model employed by OPDAT instructors of breaking the participants into smaller working groups. Some of the most important exchanges occurred during the discussion. Feedback from the training participants also stated that they preferred the smaller break-out sessions and found them valuable.

Future Areas of Cooperation

¶10. (C) Many participants expressed the desire to have more training from the United States on plea bargaining. This is a relatively new concept in Latvia and there is little general understanding as to its advantages. Members of the law enforcement community have expressed to PolOff that this particular tool would be especially useful when building cases against high level public officials.

Comment

11. (C) Ambassador Bailey and the PG opened the training session together. Prior to beginning, the PG commented to the Ambassador that this was the first time prosecutors, the KNAB, and the police have all participated in a training seminar together. He commended the Embassy for bringing them all to the same table. Additionally, officers from the KNAB commented to PolOff that they were especially interested to see what their colleagues from the other Latvian law enforcement agencies presented. This statement confirms Post's belief that cooperation between law enforcement entities is an area for improvement, and an obstacle in the overall fight against corruption and money laundering. Further results from the training include an increased number of requests for assistance received by the Baltic Legal Attach directly after the training concluded.

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